

Friends of the Earth Ireland Limited.
(A company limited by guarantee and not having a share capital)

Directors' Report and Financial Statements

for the year ended 31 December, 2005

Friends of the Earth Ireland Limited.
(A company limited by guarantee and not having a share capital)

Financial Statements for the year ended 31 December, 2005

Company Information

Directors	John Sutton Damian O' Brion Caitriona Maguire Mark Dearey Samuel Clarke Stephen Rourke Malcolm Noonan Ivana Bacik
Secretary	John Sutton
Company Number	383678
Registered Office	9 Upper Mount Street, Dublin 2.
Business Address	9 Upper Mount Street, Dublin 2.
Auditors	Malone Power & Company, Chartered Accountants, Registered Auditors, Marlborough House, 21 Marlborough Road, Donnybrook, Dublin 4.
Bankers	Bank of Ireland plc, College Green, Dublin 2.

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Financial Statements for the year ended 31 December, 2005

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Friends of the Earth Ireland Limited.
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Directors' Report
for the year ended 31 December, 2005

Audited Financial Statements

The Directors present herewith their report and the audited financial statements for the year ended 31 December, 2005. In preparing these financial statements, the Directors have exercised the options available to a small sized private company under the Companies (Amendment) Act, 1986.

Principal Activity

The organisation is engaged in raising environmental awareness.

Review of Activity and Future Developments

Both the level of income and year end financial position were satisfactory and the directors expect the present level of activity to continue for the foreseeable future.

Results

The results for the year are set out in the Income and Expenditure Account on page 5.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2005. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Books of Account

The directors are responsible for ensuring that proper books of account as outlined in section 202 of the Companies Act, 1990, are kept by the company. The books of account are maintained by the Directors at 9 Upper Mount Street, Dublin 2.

Auditors

The auditors, Malone Power & Company, Chartered Accountants and Registered Auditors, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

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Directors' Report
for the year ended 31 December, 2005

Taxation Status

So far as the directors are aware, the company is a close company within the meaning of the Taxes Consolidation Act, 1997.

On behalf of the Board

John Sutton

)
) Directors
)

Damian O' Brion

**9 Upper Mount Street,
Dublin 2.**

25 July 2006

Malone Power & Company

Chartered Accountants
Registered Auditors

Marlborough House,
21 Marlborough Road,
Donnybrook,
Dublin 4.
Telephone : (01) 6684088
Fax : (01) 6684150
e-mail : info@malonepower.com

Independent Auditors' Report to the Members of Friends of the Earth Ireland Limited.

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the Company's members, as a body, in accordance with Section 193 (1) of the Companies Act 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and Auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and Irish Accounting Standards, are set out on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and Auditing Standards promulgated by the Auditing Practices Board in Ireland and the United Kingdom.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts 1963 to 2005. We also report to you whether, in our opinion proper books of account have been kept by the Company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the Company and whether the information given in the Directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the Company's balance sheet and its income and expenditure account are in agreement with the books of account.

We read the information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies within the financial statements. Our responsibilities do not extend to any information outside the Annual Report.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Malone Power & Company

**Chartered Accountants
Registered Auditors**

**Marlborough House,
21 Marlborough Road,
Donnybrook,
Dublin 4.
Telephone : (01) 6684088
Fax : (01) 6684150
e-mail : info@malonpower.com**

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at the 31 December, 2005 and of its results for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 2005.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the directors' report on pages 1 - 2 is consistent with the financial statements.

Malone Power & Company
Chartered Accountants
Registered Auditors

**Marlborough House,
21 Marlborough Road,
Donnybrook,
Dublin 4.**

25 July 2006

Friends of the Earth Ireland Limited.
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Income and Expenditure Account
for the year ended 31 December, 2005

Continuing operations

	Notes	€	2005 €	Period from 25-03-2004 (Date of Incorporation) to 31-12-2004 €	€
Income			109,500		67,137
Less:					
Programme Expenditure		45,633		16,432	
Fundraising Expenditure		45,625		18,818	
Administrative Expenditure		24,040		11,819	
			<u>(115,298)</u>		<u>(47,069)</u>
(Deficit)/Surplus on ordinary activities before taxation	2		(5,798)		20,068
Taxation	3		<u>-</u>		<u>-</u>
(Deficit)/Surplus on ordinary activities after taxation			(5,798)		20,068
Accumulated surplus at beginning of year			<u>20,068</u>		<u>-</u>
Accumulated surplus at end of year			<u><u>14,270</u></u>		<u><u>20,068</u></u>

There are no recognised gains or losses other than the surplus or deficit for the above financial year.

The financial statements were approved by the board on 25 July 2006 and signed on its behalf by :

John Sutton
Director

Damian O' Brion
Director

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Balance Sheet
as at 31 December, 2005

	Notes	€	2005	€	€	2004	€
Fixed Assets							
Tangible assets	5			5,565			-
Current Assets							
Debtors	6	1,300			-		
Cash at bank and in hand		43,162			31,519		
		<u>44,462</u>			<u>31,519</u>		
Creditors: amounts falling due within one year	7	<u>35,757</u>			<u>11,451</u>		
Net Current Assets				<u>8,705</u>			<u>20,068</u>
Total Assets less Current Liabilities				<u>14,270</u>			<u>20,068</u>
 Represented by:							
Accumulated surplus				<u>14,270</u>			<u>20,068</u>

The financial statements were approved by the Board on 25 July 2006 and signed on its behalf by :

John Sutton
Director

Damian O' Brion
Director

Friends of the Earth Ireland Limited.
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Notes to the Financial Statements
for the year ended 31 December, 2005

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Income

Income represents grants & donations and other funds received and receivable.

1.3. Tangible fixed assets and depreciation

Depreciation is provided on the bases and at rates stated below which are estimated to reduce the assets to realisable values by the end of their expected working lives:-

Category	Basis	Rate per annum
Fixtures and fittings	Straight line	20%
Computer equipment	Straight line	33.33%
Website Development	Straight line	33.33%

A full year's depreciation is charged in the year of purchase. No depreciation is charged in the year of sale.

	2005	Period ended 2004
2. (Deficit)/Surplus on ordinary activities before Taxation	€	€
(Deficit)/Surplus on ordinary activities before taxation is stated after charging :		
Depreciation of tangible assets	1,875	-
Directors Remuneration		
As Directors	-	-
For management services	-	-
	-	-
Auditors' remuneration	3,025	2,299

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Notes to the Financial Statements
for the year ended 31 December, 2005

3. Taxation	Period ended	
	2005	2004
	€	€
Based on the (deficit)/surplus for the year:-		
Corporation Tax	-	-
	-	-

No provision for Corporation Tax has been made due to the granting by the Revenue Authorities of "Mutuality of Trade" Status on the 29th September, 2005, thereby exempting the organisation from paying Corporation Tax.

4. Employees	Period ended	
	2005	2004
	€	€
Employment costs		
Salaries	40,128	9,203
Employer's PRSI contributions	4,314	964
Other pension costs	2,022	-
	46,464	10,167

5. Tangible assets	Office Equipment	Fixtures & Fittings	Website Development	Total
	€	€	€	€
Cost				
At 1 January, 2005	-	-	-	-
Additions	3,850	930	2,660	7,440
Disposals	-	-	-	-
At 31 December, 2005	3,850	930	2,660	7,440
Depreciation				
At 1 January, 2005	-	-	-	-
Charge for the year	803	186	886	1,875
At 31 December, 2005	803	186	886	1,875
Net book values				
At 31 December, 2005	3,047	744	1,774	5,565
At 31 December 2004	-	-	-	-

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Notes to the Financial Statements
for the year ended 31 December, 2005

6. Debtors

	2005	2004
	€	€
Friends of the Earth Northern Ireland	<u>1,300</u>	<u>-</u>

7. Creditors: amounts falling due within one year

	2005	2004
	€	€
Trade creditors & accruals	35,500	9,963
Other taxes	<u>257</u>	<u>1,488</u>
	<u>35,757</u>	<u>11,451</u>

8. Approval of financial statements

The financial statements were approved by the Board on 25 July 2006.

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Financial Statements for the year ended 31 December 2005

The following pages are for the directors only

Friends of the Earth Ireland Limited.
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Income and Expenditure Account
for the year ended 31 December, 2005

		Period from 25-03-2004 (Date of Incorporation)	
	2005	to 31-12-2004	
	€	€	€
Income (Page 12)		109,500	67,137
<u>Less: Programme Expenditure</u>			
Climate Change	5,701	-	
Safer Chemicals	2,575	-	
Events/Communications	10,692	16,432	
Salaries	24,077	-	
Employers' PRSI Contribution	2,588	-	
	(45,633)	-	(16,432)
		63,867	50,705
<u>Less: Fundraising Expenditure</u>			
Membership Recruitment	29,391	8,651	
Fundraising	7,345	-	
Salaries	8,026	9,203	
Employers' PRSI Contribution	863	964	
	(45,625)	-	(18,818)
		18,242	31,887
<u>Less: Administrative Expenditure</u>			
Staff Recruitment Costs	-	6,967	
Professional Fees	-	745	
Audit Fees	3,025	2,299	
Accountancy Fees	600	-	
Bank Charges	525	207	
Board Expenses	853	975	
Rent and Insurance	5,019	-	
Depreciation	1,875	-	
Salaries	8,025	-	
Employers' PRSI Contribution	863	-	
Staff Pension Costs	2,022	-	
Sundry	1,233	626	
	(24,040)	-	(11,819)
Operating (deficit)/surplus		(5,798)	20,068

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Detailed Income Schedule for the year ended 31st December 2005

<u>Income</u>	Period ended	
	2005	2004
	€	€
FOE England Wales & Northern Ireland Grant	30,160	58,047
FOE Europe	3,855	-
Oak Foundation	50,096	-
Rowntree Trust	7,050	-
Membership and Donations	18,339	9,090
	<hr/>	<hr/>
(To Page 11)	109,500	67,137
	<hr/>	<hr/>